

SYNOPSIS OF PROSPECTUS OF THE

# ONTARIO MANITOBA & WESTERN RY. AND CONNECTIONS

## MANITOBA'S

GRAND

30,000,000

BUSKEL CROP OF 1887

AND

ONTARIO'S

Unequalled Timber, Mineral and Agricultural Wealth, will be more firmly united to the

## DOMINION

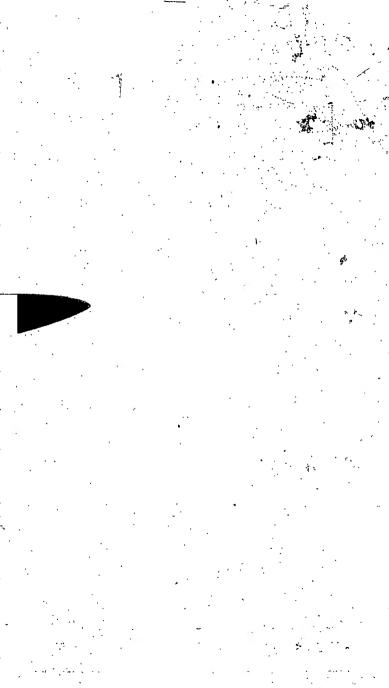
By this great Canadian enterprise, and is worthy

0F

The earnest attention of every patriot in our fair

## CANADA

STOCK SHOULD BE FREELY SUBSCRIBED BY CANADIANS
CHARTER NOW BEING APPLIED FOR AT OTTAWA



## THIS PAMPHLET

IS RESPECTFULLY DEDICATED TO THE

Right Honorable Sir John A. Macdonald, K.C.B.,

PREMIER OF THE DOMINION OF CANADA

---то тик---

Honorable Oliver Mowat,

PREMIER OF ONTARIO

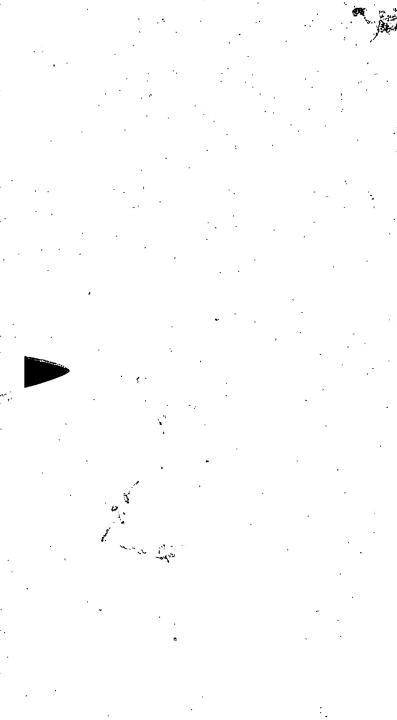
-TO THE

## Honorable Thomas Greenway,

PREMIER OF MANITOBA

And to all other Loyal Citizens who desire to see our fair Canada prosper.

This Railway will draw trade and commerce to and through Canada, hasten settlement in Manitoba and North-Western Ontario, and by adding largely to our population, lighten the taxation already imposed on the Canadian people for the opening up of our grand North-West,



## ONTARIO, MANITOBA & WESTERN

## RAILWAY

The line as projected from Port Arthur to Winnipeg and other points in Southern Manitoba, will open up very valuable mining and timber land; as well as a very large area of farming land lying along the southern boundary of the Province of Ontario and especially in the valley of the Rainy River and in Southern Manitoba.

This road would also open up the most extensive timber region now available in North America; timber resources, such as in the valley of the Ottawa, Minnesota, Michigan and Wisconsin, are largely exhausted; therefore the timber area to be opened by the proposed line, both on the American and Canadian sides of the International Boundary, will in the near future be sought after to supply the growing demand in the east, while Manitoba is entirely dependent upon this region for its lumber and timber supply.

At present that supply is drawn from the Rainy River, coming from both sides of the International Boundary Line, as there is no duty on saw-logs entering Canada or the United States. Large quantities are brought from the Red Lake region on the American side, by way of Rainy River. These logs have to be rafted and towed across Lake of the Woods, a distance of over 100 miles. The proposed line would cut out this trade, taking it at the mouth of Rainy River, where mills will be built as soon as railway facilities are afforded, which would obviate the necessity of rafting and towing, and would enable this road to carry the entire supply to the west.

The projected line passes through such timber regions as Arrow Lake, Hunter's Island, Rainy Lake and the waters tributary thereto, and thus it would take the lumber traffic from these localities in the immediate vicinity of the limits.

The area of country tributary to the road as regards timber on the Canadian side is about 23.310 square miles, or 14,918,400 acres in Ontario. Calculating one-quarter of this area to be covered with pine and the yield to be 6,000 ft. B. M. per acre (which is a very low estimate in the opinion of competent judges who have a knowledge of the country), gives a total of 22,377,600 thousand feet; assuming the average freight to be \$2.50 per thousand, would yield a total greene of \$55,944,000.

We may add to this for shingles, piles, telegraph poles, fence posts, cordwood, ties, etc., one-quarter of the above sum, \$13,986,000, making a total of \$69,930,000; and calculating that an equal amount of the above would be carried each year during a period of forty years, it would yield an annual revenue of \$1,748,250. Besides, we may expect a revenue almost equal to this from the timber that will be drawn from the American side of the line, as the streams on the American side tributary to Rainy River and the Pigeon River respectively, all flow towards these rivers and lakes from which they flow: therefore, the timber in the vicinity of their sources must naturally follow these channels and cannot be diverted southward.

Now, if we calculate the account of supplies, plant and traffic that will be required in order to prepare for market this vast quantity of material from the forest, the labor and capital that must necessarily be employed, it will be seen that an amount of traffic sufficient to warrant the construction of the line will be secured from the produce of the forest alone; but when we contemplate in addition to this, the traffic incident to the large mining region through which the line will pass—the mines, such as the Beaver and others now working in the vicinity of White Fish and Arrow Lakes, are already employing large numbers of men, while the monthly yield of ore is promising, and still further west in the vicinity of Missemcoish Lake, Lake of the Woods and Rainy Lake, are yet richer mining regions waiting only for railway facilities to admit of their practical working—hence the importance of the line

becomes manifest. The minerals found in the region consist chiefly of gold, silver, iron, lead and phosphate. In addition to these there is an abundance of mica. There are also slates and other valuable building stone.

With regard to the iron deposits, it is estimated that this region contains many millions of tons. The richness and permanency of this country as a mining region is beyond all dispute, and from its extent and the variety of its minerals, it is but reasonable to assume that this industry would furnish the road with a great amount of profitable traffic, while the farming areas of land in the White Fish valley and on the Seine River and in the vicinity of Rainy Lake and the valley of the Rainy River that will be accessory to the line, will aggregate six millions of acres.

These fertile lands are but sparsely settled at present, but sufficiently so to establish their excellent productive qualities. This was clearly shown by their exhibits at the Toronto Industrial Exhibition last year. (See reports of the Mail and Globe newspapers, 10th September, 1887.)

The character of the climate may be judged from the fact that the finest sample of Fall wheat produced in the Dominion was grown on the banks of the Rainy River.

From the foregoing it will be seen that a vast amount of local traffic awaits the construction of the road. Lumbering, mining, farming and manufacturing would rapidly develop in this promising region, once communication is opened by the railway line, and the resources of this country, now dormant because of its inaccessibility, thrown open for settlement and the investment of capital.

So far we have considered the resources, that would be called into requisition, in the Province of Ontario only; now, when we consider the amount of grain carriage from Manitoba, together with the passenger, merchandise and other traffic which the road would draw to and from Manitoba and the west, the amount of traffic becomes evident. We may estimate the carriage of grain from Manitoba alone at not less than 6,000,000 bushels for the first year after construction, and, as Manitoba becomes more populous from year to year and her immense areas of wheat lands more developed, we may add to the foregoing an increase of say a million bushels per year for at least twenty years to come. We must also consider the

traffic in wheat and other products that will be carried over this line from the other western provinces of the Dominion, as well as from Northern Minnesota and Dakota. The largest and best wheat producing area of Manitoba lies along her southern border. The Ontario, Manitolia & Western would pass through this region by a direct line and would thus have an advantage in the haulage of grain from this quarter of about fifty miles as compared with the Canadian Pacific Ry.: while even from Winnipeg this line would have an advantage of 30 miles in the haulage of freight. A glance at the map will show that for Northern Minnesota and Dakota, say for a distance of twenty miles adjoining the Canadian boundary, which comprises an excellent wheat growing region, the Ontario, Manitoba & Western would be about 75 miles shorter than by any Other of the existing American lines of railway touching the navigable waters of Lake Superior. In addition to the foregoing there will be a large amount of traffic in merchandise, coal and the various manufactured articles produced in the east and required in the . west. Large quantities would be stored at Port Arthur, the lake terminus, during navigation, for shipment west during winter. We may also expect a large passenger traffic between the east and the west, particularly during the summer season, while in the winter we would have through a connection with the Duluth & . Iron Range R.R., at Missemcoish Lake, now constructed within tifty miles of this point, an outlet around the south shore of Lake Superior to all points east as well as by the north shore from Port Arthur, via the Canadian Pacific Ry.

Locations have been made which show that a good line with maximum grades not to exceed 0.5 per hundred, and maximum curvature not to exceed three degrees, can be obtained at a cost of about \$25,000 per mile, including track laying, ballasting, stations, tanks, etc.; in fact, everything necessary for the working of the road, exclusive of the rolling stock. The line passes through a level country throughout its entire length with but two exceptions, for short distances only, mainly in the vicinity of Arrow Lake and Sturgeon Falls; therefore, there would be but few cuttings and the line would be much easier worked in winter than always be expensive to keep open in winter. The Ontario, Mani-

toba & Western would have great advantages as compared with the Canadian Pacific Ry. between Lake Superior and Manitoba, inasmuch as the former passes through a country that is even now partly settled and that would soon become more populous, and would thus give the line a local traffic that can never be hoped for by the more northern route.

One great advantage, from a Canadian point of view, is that the proposed line would offer a competition to the present railway system, and would not only prevent a divergence of the western trade of the Dominion across the International Boundary Line through the United States, but would largely draw traffic from portions of the Western States, and would secure, for all time to come, the commerce of the west through Canadian territory, and would thus create a reciprocity of trade between the eastern and western populations of the Dominion.

It should be remembered that this line will not have to wait in order to obtain a paying traffic for the settlement of a new country, but on the contrary, it forms a link between two wellsettled provinces, and traffic, sufficient to return a handsome profit upon the capital invested in its construction, awaits only the opening of the line. This being the case at the present day, with what prospects may we not look into the future when the population of Manitoba increases from year to year, and when settlement becomes spread along the entire length of the line? It may be fairly assumed that the grain trade of the west will always seek rapid transit between the yield of the harvest, each year, and the close of navigation, which no one line can accommodate, hence the necessity for competition; while during the winter months grain would be stored at Port Arthur for shipment in the spring, where it may be fairly assumed that private enterprise will erect elevators as at Duluth. Grain will always be carried more cheaply from that point by water than by rail, therefore, the Canadian Pacific Railway would have no advantages over the Ontario, Manitoba & Western on account of their north shore section. The grain carried by the Canadian Pacific Railseen even now. way is stored at the lake terminus to await shipment in spring by bout, and as the water-ways from Port Arthur eastward are more improved so as to admit of a class of vessels with a larger carrying



capacity to take part in the trade, the freight on grain by the water route will become much cheapened, therefore rail competition with it is out of the question.

From Port Arthur east there will be ample competition between the various lines of steamers running in connection with the different railway systems, tapping the chain of lakes in the east while the Ontario, Manitoba & Western offers competition between Manitoba and the most westerly point of navigation, thus affording competition to the total Pacific system, except the Rocky Mountain division, which is not desirable at present. The proposed line gives competition between the most essential points, and therefore the construction of the line at once becomes of the greatest importance to all portions of the Dominion, as the shipping interests of all the provinces can take part in the carrying trade, and thus traffic to and from the west would, by this means, be distributed over the various systems of railways connecting with the chain of lakes.

#### ESTIMATED COST.

The road is estimated to cost about \$25,000 per mile, exclusive of rolling stock. Port Arthur to Winnipeg, 400 miles: Winnipeg to North Antler, 180 miles; total, 580 miles, at a total cost of about \$15,000,000. This sum includes interest on capital during construction.

It is proposed to bond the road for \$20,000 per mile—\$11,000.000. The bonded indebtedness of the road, assuming the bonds to bear 5 %, gives an annual charge of \$580,000.

### EARNINGS FIRST YEAR.

The earnings of the road are estimated for the first year after its construction at not less than \$2,171,000. Thus the earnings are more than sufficient to pay the working expenses of the road and the interest on the bonds sold for its construction, as well as the interest upon the capital invested.

### DETAILS OF CONSTRUCTION.

Excavation, 20,000 c. yards earth, including mixed material, 35c; for yard		1
S5c. ger yard	<b>4</b> 7 000	non mile
Excavation 2,500 c. yards rock, \$2.25 per c. yard	5 695	per mile.
Loose rock, 2,500 c. yards, \$1.00 per c. yard	2.500	ner mile
	-,000	F

Engineering. 800 per mile. 1,011 per mile. 1,011 per mile. 1,011 per mile. 1,011 per mile. 25,000  Total. \$30,190 per mile. 1,010 per mile. 5,190  Total. \$30,190 per mile. 1,010 per mile. 1,011 per mile. 2,100  Total. \$30,190 per mile. 1,010 per mile. 2,100  Total. \$30,190 per mile. 1,010 per mile. 2,100  Total. \$30,190  Total. \$30,	Terminal grounds, right of way, stations, water service, freight sheds, etc.       1,000         88 tons 56 lb. steel rails, \$30 per ton       2,640         Fish plates, 3 8-10 tons, \$56 per ton       212         Bolts, 7-10 ton, \$90 per ton       68         Spikes, 3½ tons, \$62 per ton       217         Siding and switch gear       40         Track laying       300         Ties, 2,640 at 30c. each       792         Telegraph line       500         Bridges and culverts       1,800	per mile.
Total	Further expenses, superintendence, etc. 1,011	per mile.
Details of earnings calculated from carefully gathered statistics of the districts to be served. The principal local service would arise between Port Arthur and Sturgeon Falls; and again from Rainy River and South-Eastern Manitoba to Winnipeg: again, from Winnipeg to North Antler, and vice versa.  Local traffic would consist of machinery to the mills and mines, ores coming from mines, supplies and plant, lumbering and mining outfits, farmers' supplies and products of the farm, manufactured articles, merchandise, etc., between local points, estimated at.  June 1997 1998 1999 1999 1999 1999 1999 1999	Rolling stock, 5,190	)
Details of earnings calculated from carefully gathered statistics of the districts to be served. The principal local service would arise between Port Arthur and Sturgeon Falls; and again from Rainy River and South-Eastern Manitoba to Winnipeg: again, from Winnipeg to North Antler, and vice versa.  Local traffic would consist of machinery to the mills and mines, ores coming from mines, supplies and plant, lumbering and mining outfits, farmers' supplies and products of the farm, manufactured articles, merchandise, etc., between local points, estimated at		per mile.
of the districts to be served. The principal local service would arise between Port Arthur and Sturgeon Falls; and again from Rainy River and South-Eastern Manitoba to Winnipeg; again, from Winnipeg to North Antler, and vice versa.  Local traffic would consist of machinery to the mills and mines, ores coming from mines, supplies and plant, lumbering and mining outfits, farmers' supplies and products of the farm, manufactured articles, merchandise, etc., between local points, estimated at.  Mail and express service, earnings of telegraph line, sleeping car service, sundry rents, etc.  Lumber, based upon carefully collected statistics of the consumption in Manitoba during the last year, and assuming that this road would carry 60 per cent.  Shingles, lath, piles, telegraph poles, pickets, fence posts, cordwood, square timber, etc.  wood, square timber, etc.  Local and through passenger traffic, tourists, immigrants, etc.  Wheat, based upon this year's output, assuming the proposed road would carry one-half at much lower rates than the Canadian Pacific Railway now charge.  Nerchandise passing from the lake terminus to Winnipeg and other points; and flour, etc., coming from the west eastward.  Coal.  Farm produce, such as hay, oats, potatoes, barley, fruits, etc. passing both from the west to the east and the east to the		.tatiatia.
mining outfits, farmers' supplies and products of the farm, manufactured articles, merchandise, etc., between local points, estimated at	of the districts to be served. The principal local service arise between Port Arthur and Sturgeon Falls; and aga Rainy River and South-Eastern Manitoba to Winnipeg from Winnipeg to North Antler, and vice versa.  Local traffic would consist of machinery to the mills and mines,	e would . in from
tion in Manitoba during the last year, and assuming that this road would carry 60 per cent	mining outfits, farmers' supplies and products of the farm, manufactured articles, merchandise, etc., between local	\$200,000°
Wood, square timber, etc	- will ber, based upon carefully collected statistics of the consumo-	110,000
Foreign passenger traffic, tourists, immigrants, etc. 100,000 Wheat, based upon this year's output, assuming the proposed road would carry one half at much lower rates than the Canadian Pacific Railway now charge. 720,000 Live stock passing both east and west. 45,000 Merchandise passing from the lake terminus to Winnipeg and other points; and flour, etc., coming from the west eastward. Coal. 275,000 Farm produce, such as hay, oats, potatoes, barley, fruits, etc. passing both from the west to the east and the east to the	wood, square timper, etc	.75,000
would carry one-half at much lower rates than the Canadian Pacific Railway now charge	Local and through passenger traffic	
other points; and flour, etc., coming from the west eastward.  Coal	would carry one-half at much lower rates than the Canadian Pacific Railway now charge	
passing both from the west to the east and the east to the	other points; and flour, etc., coming from the west eastward.  Coal.  Farm produce, such as hav, oats, potatoes, barley, fruits, etc.	
	passing both from the west to the east and the east to the west, not included in the local freights	70,000

Total earnings first year......\$2,171,000

#### EXPENSES.

	580,0
Total or fixed cha	arges \$ 1,774,0
Potal earnings for first year Potal or fixed charges	\$ 1,771,00 \$ 2,171,00 1,774,00
	cholders, first year\$ 396,90
	F ROLLING STOCK.
ocomotives	No. per 100 m. 580 m. Cost Each. Total for R
assenger cars (smoking, mail or	11 64 \$10,000 \$ 640,00
Busic Carsi	. 10
oming cars	
Torgue Cars, including that and ac	- 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1
recking cars	2- 3,000 6,00
Wrecking cars	8 1,000 8,00
langers, hand-cars and incident	tals 10,00
Capital in rolling	stock \$ 1,809,00 year \$ 396,95
ourplus for stockholders for first	1700 g g g g g g g g g g g g g g g g g g
\\suming that there is invested	1 in construction over and above
the \$11,600,000 acquired	by bonds, \$3,400,000 of capital,
the interest on this sum at	t 4 per cent. per annum would be 130,00
	y Per cent. her winnin whater he - 100000
Leaving balance	
\ssuming that there - 17	\$\\ 266,35
\$15,000,000 as above the	required over and above the
the interest on this same	um of \$1,809,000 for rolling stock
per mus sum pe	er annum would be
Surplus for share	eholders, first year, after paying
all charges	\$ 194,03

It is believed by those having a knowledge of the country to be served and the amount of travel between the eastern and western populations, that the freight and passenger traffic would be largely in excess of the foregoing estimates.

The carrying trade of the road for the second year, based upon careful estimates, comparing the increase during the past few years of traffic in this direction, it is assumed would give an increase of at least 15%; hence,

earnings second year	\$ 2,496,680	
300,000	1,958,157	
Surplus second year	\$ 548,498 180,600	
Leaving balance	\$ 412,893 · 72,820	
Surplus for shareholders, second year, after paying all charges	\$ 840,578	
It may be fully assumed that the business of the renerense 10 % annually for many years to come.	oad would	

*orking expenses \$ 1,510,478  terest on bonds 580,000	\$ 2,746,815	
4	2,090,473	
Surplus third year	\$ 655,842 180,600	
Leaving balance	\$ 525,242 72,320	
Surplus for shareholders, third year,	<b>8</b> 452.922	

#### TRIBUTARY RAILWAY LINES

In addition to the foregoing it may be pointed out that a onnection with the Duluth & Iron Range R. R. at Gun Flint Lake rould have a great tendency to swell the passenger and other raffic both east and west of this point. This line is already contracted to within a distance of about 50 miles of the boundary, and it may be fairly assumed that this gap will be closed as soon the proposed line can be opened for traffic.

The same may be said of the road projected from Hallock to he mouth of Rainy River, a portion of which is already constructed. I short branch from the Ontario, Manitoba & Western would connect with this line at the mouth of Rainy River, and this would be a most important connection, as the former comes from a well-ettled country on the border of Minnesota and Dakota, and would erve a large population both as regards passenger and freight



traffic seeking an outlet via the Lakes; while from Winnipeg cor nection would be made with the Ontario, Manitoba & Western, an as the western roads are pushed farther west, traffic from the quarter would be greatly augmented year by year.

The following letter from Mr. John Ross, the renowned rail way contractor, and a man who has constructed more railways that probably any other man living at the present day, is of special importance seeing that he has a personal knowledge of the rout to be traversed by the proposed line.

NEW YORK, January 21, 1888.

James Connee, Esq.

DEAR SIR,—I have examined the map and railroad route which you gave-me. The more I think of it the better it looks. The railroad which , is projected through Northern Dakota and Minnesota to the mouth of Rain River, and thence to Duluth, could be connected with your road east of Rainy River by a short branch railroad, which would make the shortes route from Dakota and Northern Minnesota, as well as from Southern Manitoba and the territory west of it by your line to the navigable water of the inland lakes and rivers.

I am not familiar enough with the whole of your route to say what the cost of a first-class single track railroad, equipped ready for traffic would be; but I have examined the country from Rainy Lake for a distance of 50 miles west through Minnesota, Dakota and Southern Manitoba, with the exception of about 130 miles. The balance of the distance is open prairie much of which is under wheat.

Grading will be light, and all scraper work with the exception of the

130 miles referred to.

The summer business would come to Port Arthur; the winter busines would probably be divided between the Canadian Pacific Railway and Duluth. The great bulk of the grain trade from the west would always be stored at the lake terminus to await shipment in spring.

I am quite sure from my own observation and knowledge of the country generally, that the road if constructed would secure an amoun of traffic quite sufficient to pay the interest on its bonds, and the capita invested in its construction.

I know of no line that has been projected of late years that offers more advantages for the investment of capital than the line you propose.

Yours truly,

JOHN ROSS.

PORT ARTHUR, ONT., Jan. 11, 1888.

JAMES CONMEE, ESQ., M.P.P.,

Rossin House, Toronto.

Sir,-In compliance with your request of this morning for such informa tion as I might possess regarding the lands, timber, minerals, etc., along the proposed route of the Ontario, Manitoba & Western Railway, I may say that having made numerous surveys along extensive stretches at both the eastern and western ends of the route between Lake Superior and Rainy River, as

well as between Winnipeg and the Lake of the Woods, I consider the line, as laid down on the accompanying map, on the whole very much more favorable for location, construction and grades than the present Canadian Pacific

Railway line between Lake Superior and Winnipeg.

From Lake Superior (Port Arthur) westward to Sturgeon Falls, very little, if indeed any, rock cutting is shown, and easy grades are obtainable. From this point westward to the western shore of the Lake of the Woods, the only formidable work is the bridges required at the crossing of the Narrows of the Lake, and the soundings and location show a practicable resising. The Narrows of the Lake of the Woods, where examined for a railroad crossing, show the usual shallow water, and a number of islands lavorably situated for the desired purpose.

The projected route would very materially shorten the haul from Winnipeg to Lake Superior, and open up large areas of valuable farming, timber

and mining lands, which are at present practicably inaccessible.

The fertile valleys of the Kaministiquia and Whitefish Rivers would become settled, and communication with the famous "Beaver" and other silver mines to the west established, as well as the great iron belt stretching from Tower north-easterly across Hunter's Island traversed, and the extensive pineries between Whitefish and Rainy Lakes rendered immediately available; also the fertile lands in the vicinity of Rainy River and in Southern Manitoba.

All the foregoing would afford a local traffic which the present railway,

located so far north, does not enjoy.

Looked at from an Ontario standpoint, the construction of the projected road would render at once profitable the extensive timber limits lying south of the height of land and west of Lake Superior. A large amount of mining lands would also be taken up, and the settlers, miners, lumberers, etc., find an outlet through their own territory, thereby contributing to the welfare and revenue of the province, and not becoming dependent on the American railways, which are now pushing up to the frontier with a view to diverting to the south a traffic which they foresee will shortly become of great value.

Trusting that the foregoing remarks, hastily thrown together, may be of some slight service in promoting the interests of your great enterprise,

I remain,

Yours respectfully,

A. L. RUSSELL.

WINNIFEG, Dec. 31st, 1887.

My Dear Major,—I have carefully looked over the prospectus you submitted to me, and believe in the practicability of your proposed scheme. I have no doubt you can enlist the active sympathy of both the Ontario and Manitoba Governments, as this scheme would very materially benefit the two provinces named; however, it is one of a magnitude, in my opinion, that must receive Dominion countenance and assistance, and one that is very desirable, and especially in view of the present agitation for a second outlet. I cannot conceive, however, that the two provinces most materially interested would contribute the sixteen millions you conceive to be requisite to complete the road.

Speaking for Manitoba, I cannot see how, under the circumstances, the province would be able to give the guarantee that you suggest, or how the guarantee, if given, could be of any material service to the company that



would be charged with the construction of the road. Your proposition to take over the Red River Valley Railway might, to some extent, meet the views of the people of this province, who regard it as the only immediat means of an outlet that they can secure to rid them of the monopoly that a present is sapping the confidence that the people would otherwise repose in the future of this province. Under any circumstances, I am of opinion that the Red River Valley Railway would have to be completed and utilized until the greater scheme, which is, in my opinion; worthy of all consideration, could be put into operation.

Eastern interests, that are all adverse to a diversion of the trade south of the line, would, in my opinion, be strongly enlisted on behalf of the scheme embracing a line from Port Arthur to Winnipeg, and competition is so much desired by the people in the east; they enjoy it to a degree unknown to our western settlers, that I can conceive of no reasonable obstacle

to the favorable consideration of a scheme such as you suggest.

There is, in my opinion, only one way by which your scheme could receive active support from the Province of Manitoba, and that is by repealing the Act of 1887, granting aid to the Winnipeg & Hudson Bay Railway and on certain conditions, applying the resources that would have been called into requisition by that Act to the construction and operation of the line you propose.

Under the circumstances, however, it will first be necessary that a company should be incorporated for the purpose of constructing and operating the line you suggest, before any proposition could with reason be entertained by either of the Governments referred to, and when the company is in a position to commence operations, I have no doubt that both the Governments of Ontario and Manitoba will see that is to their interests to render such assistance as is within their means, for the furtherance of a project so fraught with importance to their material development.

Your proposition that sufficient money would be deposited to meet the first five years' interest on the bonds on which the interest is to be guaranteed by the respective Governments, is, in my opinion, very sensible, inasmuch as by that time the earnings of the road would be such as would meet not only the expense of operation, but interest on the bonds sold for its construction, so that in reality, while the credit of the provinces would be utilized for the completion of this scheme, there would be only a very remote possibility of the provinces being called upon to pay any interest at all, and even if they had to meet a portion of the interest, this would be far more than counterbalanced by cheapening freight rates, which your competing in counterbalanced.

peting line would necessarily bring about.

I am of opinion the Ontario Government could be induced to look upon this scheme favorably, from the fact that the contemplated line would run through a region of country that is very rich in mineral wealth and timber. These two sources of traffic, coupled with the freight of grain that could be drawn from the whole of Manitoba over the projected lines that you contemplated building to the western boundary of the province, would insure an amount of business that would make it an object for any large railway corporation to seek connection with as soon as possible. For these reasons I am strongly of the opinion that the enterprise should be got into shape as soon as possible, by the incorporation of a company, and the enlistment of capitalists, to take hold of a scheme that holds out such prospects for any investment they may see fit to place therein.

I remain,

Yours very truly,

J. NORQUAY.

The wonderful Manitoba crop of 1887, amounting in all to

### 30,000,000 BUSHELS,

together with the prospects of more railway facilities and outlets, are already inducing larger numbers of people to go into Manitoba from one station in Ontario this year, in one day, 475 Canadians accompanied by seventy-five carloads of effects, have already started for our North-West, and on every hand we hear of more emigrants going to Manitoba this spring than in any former season.

If the good crop of '87 and the prospects of the construction of the Red River Valley Ry, and this line have so started emigration to Manitoba, what will the completion of the two roads and the expenditure of about \$16,000,000 of money in the west do in further adding to the impetus given to the movement to our North-West? The mere fact that more railways are being built into our North-West will strengthen the faith of the outside public in the capabilities of our magnificent western domain.

The deputations from the Montreal, Toronto and Kingston Boards of Trade, that lately waited on the Minister of Railways and Canals, called his attention to the fact that if the canals were deepened to fourteen feet and lengthened all the way to Montreal, that grain could be carried from Port Arthur to Montreal for four cents, and that return cargoes would be eagerly looked for at from \$1.50 to \$2.00 per ton. This, with the reduction in the carriage of wheat to 10 cents from Winnipeg to Port Arthur, would, on this year's wheat production, give Manitoba farmers one and a half million, or fifteen dollars per head for the entire population, more for their crop, and should show Canada and Manitoba the necessity of more railway facilities between the west and Lake Superior. On every thousand dollars worth of wheat carried over the lake in the fall there would be a gain to the farmer in the saving of interest, insurance and storage of \$100, or ten per cent., or about six cents per bushel. Part of the plan of the Ontario, Manitoba & Western Ry, is to utilize the Sault water power by means of the canal for the operating of large flouring mills. A few miles of railway are to be built from the Sault to Gourlais Bay or some other point on the shore which would afford a harbor for the month



of December. This will allow the four big steel Canadian steamers to remain on Lake Superior and carry wheat from Port Arthur to the Sault during the month of December, in which time they would transfer between two and three millions million bushels from one side of Lake Superior to the other. This would give the Sault elevator capacity for that amount, which would otherwise have to be built at Thunder Bay, as the elevators there would be relieved of that amount—only to be immediately refilled from the west. It is a well-known fact that the December navigation of Lake Superior is better than that of equinoxial November, and that December is the best month on the north shore for the rapid handling of grain between Winnipeg and Port Arthur-before the snows of winter really ever block the railways. The operating of these mills at the Sault would furnish both the Canadian Pacific Railway and the Grand Trunk with good winter freight from there to Ontario. Quebec and the seaboard, and would leave a large amount of cheap bran and shorts in that great grass country—Eastern Algoma—to be used by the cattle raisers and dairy men.

While an air line from Winnipeg to Duluth is thirty miles horter than to Port Arthur, yet the latter port will always have an advantage over Duluth in water navigation of twice 180 miles.



